

July 5, 1960

Mr. Armand Ch. FERRALLI,
c/o PERMINDEX,
or Hasenmattstrasse 3/Basel,

Dear Mr. Ferralli :

Many thanks for your kind letter of June 28th,
I certainly appreciate your keeping me posted.

It was obvious to me from my stay in Rome that the Italian authorities resented very much the fact that the Company was operating in Italy, and all of its benefits or at least 80% of the benefits were going to Switzerland. I understand that official sources made it quite clear that unless the Italian Company became an operating company as well as a holding company and subject to Italian taxation, that they would give no encouragement to the venture. I therefore understand and appreciate the reasons for the termination for the PERMINDEX contracts, even though financially my clients will suffer by having to pay a much higher rate of taxes.

I am indeed sorry that you did not make yourself known to me earlier, as I enjoyed talking to you and getting the benefit of your advice which I found to be sound and based on good common sense.

I expect to be in Switzerland some time in August and I may ask you to meet me in Zurich or Geneva where we can have another discussion together.

In the meantime, with my cordial greetings and good wishes, I remain,

Sincerely yours,

LMB:gs